

Environmental

Advocates

NY

EANY SUPPORTS

Protecting RGGI Funds



Memo #51

[A.7611 \(Kelles, et al.\)](#)

[S.6268 \(May, et al.\)](#)

Explanation:

This legislation prohibits the transfer of Regional Greenhouse Gas Initiative (RGGI) revenues to the State's general fund ensuring these funds remain available for communities to help combat the climate crisis. As New York's only statewide climate and clean energy initiative, it is critical these funds remain dedicated to helping the State meet the climate, clean energy, and equity goals dictated by the Climate Leadership and Community Protection Act (CLCPA).

Since New York joined the RGGI program in 2008, over \$1.4 billion have been raised from charging polluters for their emissions, but for the last several years the Executive has worked to redirect RGGI funds away from climate and clean energy programs and into the general fund, totaling \$251 million over the course of the program. RGGI proceeds pay for NYSERDA programs supporting renewables, community solar, energy efficiency, transportation electrification, community energy planning, and energy innovation that create jobs, impact market decisions and lead to healthier, cleaner communities across New York. With the passage of the CLCPA, and the requirement that at least 35% of clean energy funds be used to benefit disadvantaged communities, these funds are essential to helping disadvantaged communities in the transition away from fossil fuels.

Communities are still suffering from the impacts of the pandemic and the appropriate use of RGGI funds can be part of the solution. Protecting RGGI funds from transfers will allow for more investments in low-income communities and communities of color that will help reduce air pollution, lower energy bills and support the local transition to renewable energy. New Yorkers need this money to be used as intended; to fight climate change and support disadvantaged communities.

Summary:

The legislation amends the Public Authorities Law to prohibit proceeds from the sale of carbon dioxide allowances through the state's participation in RGGI from being transferred to the general fund. The bill requires any funds transferred be used in a manner consistent with the RGGI spending rules promulgated by NYSERDA and directs the Comptroller the issue a report detailing the use of any transferred funds.